



General Assembly

Substitute Bill No. 299

January Session, 2011

* ____SB00299JUD__042711__ *

**AN ACT CONCERNING THE ENFORCEMENT OF SURETY
CONTRACTS BY NURSING HOMES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 19a-539 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2011*):

3 (a) Each nursing home facility shall disclose in writing to all
4 prospective patients a complete and accurate list of all additional costs
5 which may be incurred by them and such nursing home facility shall
6 display or cause to be displayed copies of such list in conspicuous
7 places therein.

8 (b) Nursing home facilities, as defined in section 19a-521, shall be
9 prohibited from enforcing a [surety] contract [on behalf of an applicant
10 required as a condition of admission] with a third-party guarantor or
11 an admissions agreement entered into with a responsible party who
12 has access to an applicant or resident's assets or financial information
13 unless: (1) The guarantor under such contract or [his] the guarantor's
14 spouse, [or his children] child or [his grandchildren] grandchild has
15 received an assignment or transfer or other disposition of property for
16 less than fair market value, pursuant to section 17b-261, from the
17 applicant; or (2) the applicant fails to return a properly completed
18 application for Title XIX benefits to the Department of Social Services
19 in accordance with its regulations; and (3) such contract contains a

20 [clause which states the] notice advising the applicant, third-party
 21 guarantor or responsible party that: (A) The contract is enforceable
 22 against the guarantor, [or his] the guarantor's spouse, [or his children]
 23 child or [his grandchildren] grandchild if such guarantor or [his] the
 24 guarantor's spouse, [or his children] child or [his grandchildren have]
 25 grandchild has received an assignment or transfer or other disposition
 26 of property for less than fair market value, pursuant to section 17b-261,
 27 from the applicant or if said applicant fails to return a properly
 28 completed application for Title XIX benefits to the Department of
 29 Social Services in accordance with its regulations; (B) state and federal
 30 law prohibit a nursing home facility from requiring a third party to
 31 personally guarantee payment as a condition of admission or
 32 continued stay in the facility; and (C) due to the complexity involved
 33 in preparing an application for Title XIX benefits, it may be advisable
 34 for the person completing such application to seek professional
 35 assistance or legal advice. Such notice shall be written in not less than
 36 ten-point, boldface type, shall be stated in plain and simple language
 37 and, whenever possible and in accordance with any applicable federal
 38 guidelines, shall be in the primary language of the recipient.

39 (c) A nursing home facility may prepare and submit an application
 40 for Title XIX benefits to the Department of Social Services on behalf of
 41 a person residing in or seeking admission to the nursing home facility,
 42 provided such person or such person's authorized representative
 43 authorizes the nursing home facility, in writing, to prepare and submit
 44 such application on such person's behalf.

45 [(c)] (d) Nothing in this section shall be interpreted as prohibiting
 46 the acceptance of a voluntary surety contract.

This act shall take effect as follows and shall amend the following sections:

Section 1	October 1, 2011	19a-539
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HS *Joint Favorable Subst.*

JUD *Joint Favorable*